

OUTGOING TELEGRAM Department of State

INDICATE: ☐ COLLECT
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ACTION: CIRCULAR 1075

SUBJECT: US Ratification of International Coffee Agreement

As of Dec 13, US had not deposited instrument of ratification of International Coffee Agreement. Agreement expires Dec 31 if US fails to ratify. Post may therefore be queried US intentions.

Following is status US ratification process. In May 1963, Senate gave advice and consent to ratification. US entered agreement as provisional member but did not deposit instrument of ratification for two reasons: (1) implementing legislation necessary to enable US fulfill obligations under agreement, in particular to control imports from non-members if necessary and to require certificates of origin on all coffee imports; and (2) Executive Branch assured Senate we would not make our participation in Agreement "effective" until implementing legislation approved both Houses Congress.

Between May and December Administration expected Congress approve implementing legislation. House Ways and Means Committee occupied with tax bill and therefore delayed consideration coffee until late October. House approved implementing legislation Nov. 14 which then referred to Senate Finance Committee.

President does not want Senate Finance Committee to interrupt work on tax bill and proposes Committee take up implementing legislation early

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DEC 13 6 53 PM '63

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bill.
early in new year after completion its work on tax/ Therefore, hearings
on coffee scheduled by Finance Committee have been cancelled.

If queried, you should give assurance US continues support
International Coffee Agreement. No change in US position. Administration
consulting Congress on steps we hope will permit US remain in Agreement
pending Senate consideration of legislation early next year.

FYI. Administration hopes to make gentlemen's agreement with
Congressional leadership permitting US deposit instrument of ratification
now -- without implementing legislation -- on clear understanding
legislation will be sought early in new year, and US will not control
imports or require certificates of origin -- actions for which implementing
legislation required -- until its passage. Coffee Council has already
decided certificates of origin not required until April 1, 1964, and control
of imports cannot be effective until certificates become effective. Therefore,
Administration does not need to exercise powers authorized by implementing
legislation until about April 1964. END FYI.

Post will be informed final decision when made.

BALI.

End.

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